

News from the FPPC



California Fair Political Practices Commission
428 J Street, Suite 620, Sacramento, CA 95814
www.fppc.ca.gov

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Contact: Tara Stock at (916) 322-7761

Commission's Revised Gift Rules Simpler, More Stringent

The Commission recently approved simpler, easier to understand gift regulations that contain more stringent provisions than previous rules.

With the regulatory changes, the Commission sought to strike the proper balance between ensuring that public officials do not use their positions for personal gain while applying more sensible rules to gifts that must be disclosed and regulated.

"Gift regulations should apply only in situations when the public official receiving the gift makes governmental decisions that directly affect the person giving," said Commission Chair Ann Ravel. "We also wanted to close loopholes to ensure that people with business before an official will not be able to influence that official."

In addition to making the regulations easier to navigate, several of the adoptive changes are more restrictive than previous requirements.

Lobbyists, for example, will no longer be able to claim "a home hospitality" exemption from the gift limits and disclosure requirements unless they have a relationship that is unrelated to the public official's position and the home hospitality is related to that purpose. Previously, there was no requirement for disclosure, meaning that lobbyists could entertain public officials at their homes and spend an unlimited amount of money without the public's knowledge.

Areas where the Commission has approved or is considering stricter gift rules include:

- **Ceremonial Role:** The Commission in its December meeting is considering restrictions on what qualifies as a ceremonial role and has provided specific examples such as ribbon-cutting ceremonies, making a proclamation, or giving out an award. The regulation was adopted to address past abuses that included officials receiving free tickets to attend sporting events, concerts and other entertainment venues, claiming they had a "ceremonial role" while not having any active participation in the events. The value of the tickets to events where an official performs a "ceremonial role" is not required to be reported, nor is it subject to gift limits.

- **Gifts To An Official Through Family Members:** The new rules treat gifts to family members of public officials as gifts to the official unless there is an established social or work relationship with the family member and the donor does not have business before the official. The regulation covers gifts to family members from anyone seeking to influence the public official, such as individuals registered to lobby the official's agency, a person who contracts with that agency, or someone who is regulated by the agency. Previously, the family gift regulations applied only to the highest ranking public officials and did not cover such a wide range of persons with business before the agency.
- **Home Hospitality:** Lobbyists will no longer be able to claim the "home hospitality" exception for gifts of home entertainment to an official unless there is a existing relationship between the parties that is unrelated to the official's position and the hospitality is provided in connection with that relationship, such as a backyard barbeque between neighbors.
- **Valuation of Tickets:** A loophole was closed in the valuation of tickets that previously allowed gifts of unused collectible tickets (some with values approaching \$1,000) because they were deemed to have no value if they were not "ultimately used."
- **Bona Fide Dating:** The proposed revisions would prohibit officials from participating in certain decisions involving their dating partner if the partner lobbies the official's agency, has a contract pending before the official's agency, or is regulated by the official's agency and the official received gifts from his or her significant other of \$420 or more. Current rules do not bar officials from participating in decisions involving their dating partner.

More gift regulations will be presented for consideration at the Commission's December 8, 2011 meeting. They include proposals to codify Commission opinions and staff advice letters for "acts of neighborliness," and "bona-fide dating relationships." New exceptions for "acts of human compassion" and "long term friendships" are also scheduled to be proposed.

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